

National Programmes of Support for SMEs in 2007

General outline of the programmes

The TRH (Market) Programme applies to the City of Prague and facilitates:

- access to external financing for start-up projects,
- the implementation of commercial projects by small and medium-sized businesses, aimed at investment and improving their competitiveness.

The following forms of support are provided:

- interest-free loan - an interest-free loan or preferential bank guarantee with a financial subsidy for the guaranteed credit may only be provided to small, start-up enterprises.
 - Interest-free loans are provided for 90% of the project's eligible costs. The repayment term for interest-free loans is a maximum of 7 years from the day they are granted.
 - The maximum interest-free loan for natural persons or legal business entities with a single owner is up to 0.75 million CZK, and for legal business entities with more than one owner or members, is up to 1.5 million CZK.
 - Interest-free loans are secured by a bill of exchange made out by the aid beneficiary and coaccepted by at least one natural person or legal entity.
 - Interest-free loans are provided on the basis of de minimis support.
- preferential guarantee with financial aid for the guaranteed credit.
 - Guarantees are provided for up to 80% of the principal of the guaranteed bank loan. Loans of up to 1.5 million CZK may be guaranteed with repayment terms of over 3 years. Together with the guarantee, financial aid for the guaranteed loan is provided to cover up to 15% of the guaranteed loan drawn down. Financial aid for the guaranteed loan shall be provided if the aid beneficiary delivers a declaration to the aid grantor confirming the implementation of the project and compliance with the programme requirements, together with a confirmation from the credit bank that part of the guaranteed loan has been drawn down and that repayments are in order, and this within 2 years of signature of the aid agreement.
 - The aid beneficiary shall only pay part of the guarantee sum, up to a total of 0.1% p.a of the total guarantee. Alongside the guarantee, he/she is provided with financial aid totalling 3% p.a of the guarantee to settle the outstanding guaranteed sum.
- preferential guarantee
 - Preferential guarantees (hereinafter in this paragraph referred to as "guarantees") are provided to small and medium-sized enterprises to a total of 80% of the principal of the guaranteed loan. The entrepreneur shall only repay part of the guaranteed sum to 0.1–0.3% p.a of the total guaranteed. Alongside the guarantee, he/she is provided with financial aid totalling up to 4% p.a. of the guarantee to settle the outstanding guaranteed sum.

The CERTIFIKACE (Certification) Programme aims to support small and medium-sized enterprises

- to achieve ISO certification and integration into the EMAS programme,
- to facilitate the participation of SMEs in commercial and public tenders.

The following forms of aid are provided:

- a subsidy towards certification:
 - A maximum subsidy of 300 thousand CZK is available towards integrated system certification to ČSN EN ISO 14001:2005 (EN ISO 14001:2004) technical standards and also to ČSN EN ISO 9001:2001 (EN ISO 9001:2000) norms, 200 thousand CZK for other types of certification.
 - The subsidy for certification is payable once the certification has been granted, or a verified environmental declaration has been received for a subject in the EMAS programme, along with the submission of receipts covering the costs involved and is provided under the terms of Commission Regulation no. 70/2001.
- guarantees for proposals for public tenders for a minimum of 50 thousand CZK or a maximum of 5 million CZK, provided as de minimis support.

The DESIGN Programme aims to support the integration of design into business strategies and assist enterprises in the selection of a suitable designer, to improve conditions for effective collaboration with entrepreneurs, to support the creation of original works and to promote high-quality design.

Aid is provided for:

- industrial design, to a maximum of 200 thousand CZK,
- interior design to a maximum of 150 thousand CZK,
- graphic design to a maximum of 100 thousand CZK,
- promoting design to a maximum of 200 thousand CZK.

The VÝVOJ (Development) Programme aims to support the participation of small and medium-sized enterprises in research and development projects within the EU's 7th Framework Programme for Research and Development.

Subsidies are provided for:

- preparing feasibility studies for industrial research and pre-competition development activities, to up to 75% of eligible costs,
- consultancy by external advisors in project preparation. Up to 50% of eligible costs are covered for consultancy services,
- subsidies for wages and overhead expenses to up to 50% of eligible costs.

A subsidy to a maximum of 250 thousand CZK is provided for the project coordinator and up to 100 thousand CZK for project participants.

The ALIANCE (Alliance) Programme aims to improve the competitiveness of small and medium-sized enterprises on foreign markets by applying international market activities to an alliance (a group of at least 3 SMEs, whose production programme or range of products are mutually complementary and can be supplied to a specific sector of economic activity).

Aid is provided in the form of a subsidy covering a maximum of 50% of eligible expenditure to a total of 2 million CZK for:

- marketing information in the field of international trade and foreign markets, to a maximum of 100 thousand CZK,
- the creation of marketing promotional materials, to a maximum of 400 thousand CZK,
- the creation of websites in foreign languages, to a maximum of 150 thousand CZK,
- the alliance's participation in exhibitions and trade fairs abroad, to a maximum of 150 thousand CZK.